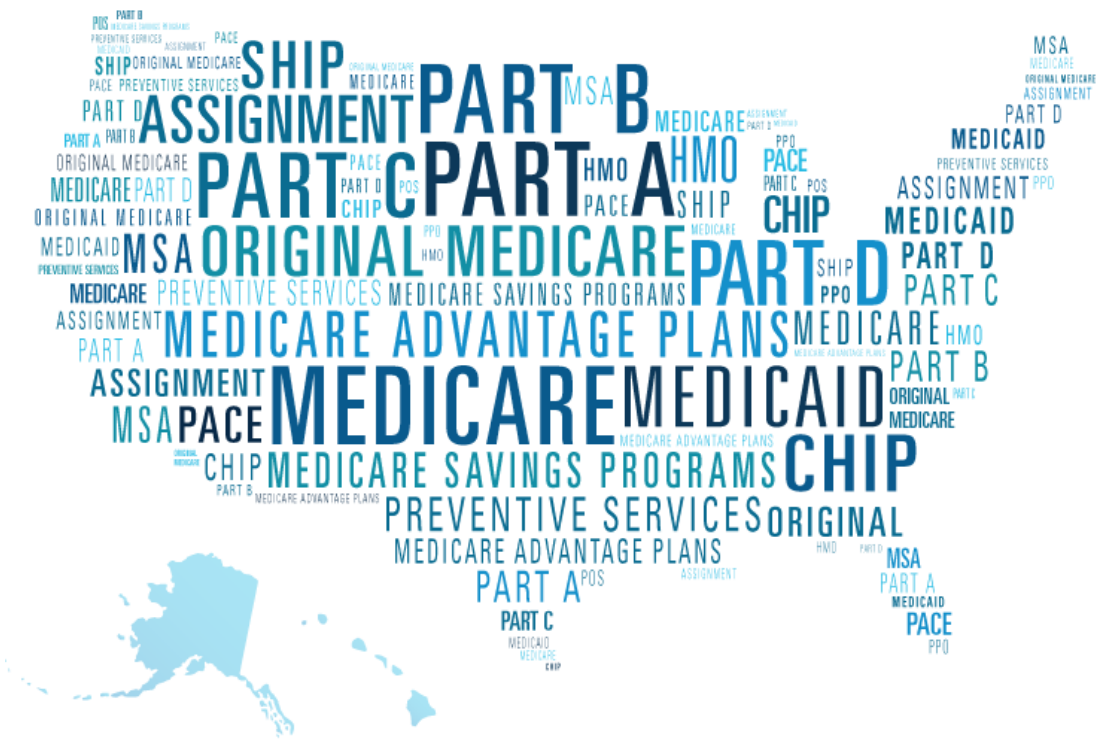
CENTERS FOR MEDICARE & MEDICAID SERVICES

Understanding Medicare



Once the conference starts, audio will be muted. The presenter will have speaking ability only. If you have questions, use the chat button (blue bubble at the bottom)

For assistance:
Call WebEx Customer Service:
(866) 229-3239

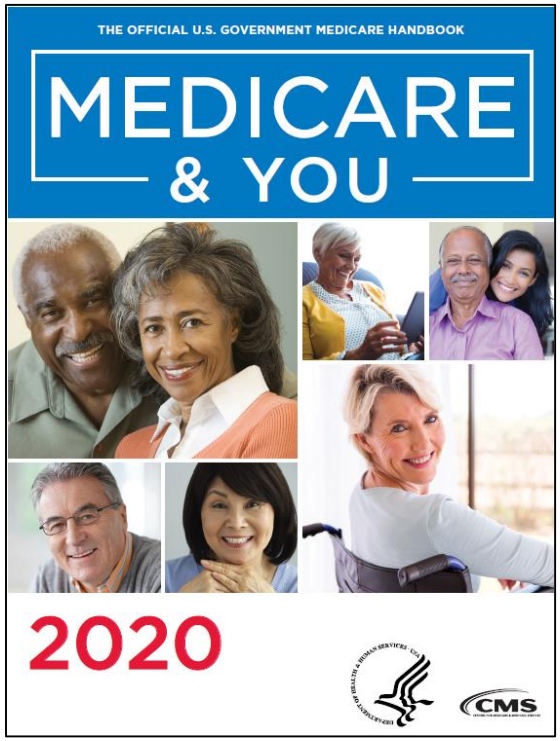
Delaware Medicare Assistance Bureau, “DMAB”

- Delaware’s State Health Insurance Assistance Program, “SHIP”
- Public Service of Insurance Commissioner Trinidad Navarro
- Funded by the Administration for Community Living
- Provide information and assistance regarding Medicare
- Trained Volunteers
- Offers Speakers, participate in health fairs/community events

Lesson 1—What Is Medicare?

- **Health insurance for people**
  - 65 and older
  - Under 65 with certain disabilities
    - ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease) without a waiting period
  - Any age with End-Stage Renal Disease (ESRD)

NOTE: To get Medicare you must be a U.S. citizen or lawfully present in the U.S. Must reside in the U.S for 5 continuous years.



CMS Product No. 10050

What Agencies are Responsible for Medicare?

Handle Enrollment, Premiums

Social Security enrolls most people in Medicare

Railroad Retirement Board (RRB) enrolls railroad retirees in Medicare

Federal retirees' premiums are handled by the **Office of Personnel Management** (OPM)

We Handle the Rest

Centers for Medicare & Medicaid Services (CMS) administers the Medicare Program

The 4 Parts of Medicare

Part A
Hospital Insurance

Part B
Medical Insurance

Part C
Medicare Advantage Plans (like HMOs/PPOs)
Includes Part A, Part B and sometimes Part D coverage

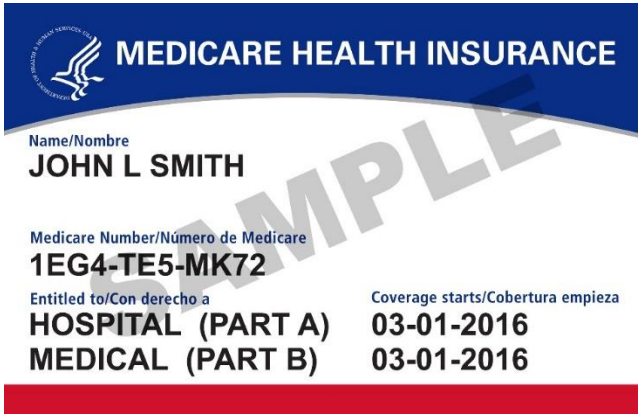
Part D
Medicare Prescription Drug Coverage

Automatic Enrollment—Part A and Part B

- Automatic enrollment for those getting
  - Social Security benefits
  - Railroad Retirement Board benefits
- Initial Enrollment Period Package
  - Mailed 3 months before
    - Your 65th birthday
    - 25th month of disability benefits
  - Includes your Medicare card

Your Medicare Card

- Keep it to accept Part B
- To refuse Part B, follow instructions in the "Welcome to Medicare" package
- Carry your card when you're away from home
  - Let your doctor, hospital, or other health care provider see your card when you need health care
  - Need a replacement card?
    - Sign into your MyMedicare.gov account and print an official copy
    - Call 1-800-MEDICARE (1-800-633-4227); TTY 1-877-486-2048



You Must Take Action to Enroll in Medicare When It's Not Automatic

- If you aren't automatically enrolled in Part A and Part B (not getting Social Security or RRB benefits) 3 months before you turn 65
  - You need to enroll in Medicare with Social Security
    - Visit socialsecurity.gov, or
    - Call 1-800-772-1213; TTY: 1-800-325-0778
      - Make an appointment to visit your local office
      - To find your local office, visit secure.ssa.gov/ICON/main.jsp
  - If retired from a railroad, enroll with the RRB
    - Call your local RRB office at 1-877-772-5772

NOTE: The age for full Social Security retirement benefits is going up for people born in 1938 or later. Those born in 1960 and later will get full retirement benefits at 67. **The age for Medicare remains 65**.

When to Enroll in Medicare

- You can first enroll during your Initial Enrollment Period (IEP), which lasts 7 months

3 months **before** the month you turn **65**	**2** months **before** the month you turn **65**	**1** month **before** the month you turn **65**	The month you turn **65**	**1** month **after** you turn **65**	**2** months **after** you turn **65**	**3** months **after** you turn **65**
Sign up early to avoid a delay in coverage. To get Part A and/or Part B the month you turn 65, you must sign up during the first 3 months before the month you turn 65.			If you wait until the last 4 months of your Initial Enrollment Period to sign up for Part A and/or Part B, your coverage will be delayed.			

- Can enroll in premium-free Part A anytime after IEP begins
- Can only enroll in Part B (and premium Part A) during IEP and other limited times
- May have a lifetime penalty if you don't enroll during IEP

General Enrollment Period (GEP)

- For people who didn't sign up for Part B (or premium Part A) during their Initial Enrollment Period
- January 1–March 31 annually
  - Coverage starts July 1
- May have to pay a penalty
  - 10% for twice the number of years you didn't have Part A
  - 10% for each 12 months eligible, but not enrolled in Part B for as long as you have Part B

Premium Part A and Part B Special Enrollment Period (SEP)

- Most people don't qualify for an SEP
- Must have employer group health plan (EGHP) coverage based on active, current employment of you or your spouse
- Can enroll
  - Anytime still covered by EGHP, or
  - Within 8 months of the loss of coverage or current employment, whichever happens first
    - Retiree and COBRA coverage aren’t considered active employment

When Employer or Union Coverage Ends

- When your employment ends
  - You may get a chance to elect Consolidated Omnibus Budget Reconciliation Act (COBRA)
  - You may get a Special Enrollment Period
    - Sign up for Part B without a penalty

Lesson 2—Original Medicare Part A (Hospital Insurance) and Part B (Medical Insurance)

- Part A (Hospital Insurance)
  - Coverage and costs
- Part B (Medical Insurance)
  - Coverage and costs
  - If you have active employment

Paying for Medicare Part A

- Most people don’t pay a premium for Part A
  - If you or your spouse paid Federal Insurance Contributions Act (FICA) taxes at least 10 years
- If you paid FICA less than 10 years you can pay a premium to get Part A
- May have a penalty if you don’t enroll when first eligible for premium Part A
  - Your monthly premium may go up 10%
  - You'll have to pay the higher premium for twice the number of years you could’ve had Part A, but didn't sign up

Original Medicare
Part A—Hospital Insurance Coverage

- Part A– Hospital Insurance helps cover
  - Inpatient hospital care
  - Inpatient skilled nursing facility (SNF) care
  - Blood (inpatient)
  - Home health care
  - Hospice care

Inpatient Hospital Care

- Semi-private rooms
- Meals
- General nursing care
- Drugs that are part of your inpatient treatment
- Hospital services and supplies

Benefit Periods in Original Medicare

- Measures use of inpatient hospital and SNF services
  - Begins the day you first get inpatient care in hospital or SNF
  - Ends when not in a hospital/SNF 60 days in a row
- Pay Part A deductible for each benefit period
- No limit to number of benefit periods you can have

Ends 60 days in a row here…

Home

Not here…

Hospital or SNF

Benefit periods can span across calendar years.

Paying for Inpatient Hospital Stays

For Each Benefit Period in 2020	You Pay
Days 1-60	$1,408 deductible
Days 61-90	$352 per day
Days 91-150	$704 per day (60 lifetime reserve days)
All days after 150	All Costs

Skilled Nursing Facility Covered Services

- Semi-private room
- Meals
- Skilled nursing care
- Physical, occupational, and speech-language therapy
- Medical social services
- Medications, medical supplies/equipment
- Ambulance transportation (limited)
- Dietary counseling

Skilled Nursing Facility (SNF) Care Required Conditions for Coverage

- Require daily skilled services
  - Not just long-term or custodial care
- Hospital inpatient 3 consecutive days or longer
- Admitted to SNF within specific time frame
  - Generally 30 days after leaving hospital
- SNF care must be for a hospital-treated condition
  - Or condition that arose while receiving care in the SNF for hospital-treated condition
- Must be a Medicare-participating SNF

Paying for Skilled Nursing Facility Care

For Each Benefit Period in 2020	You Pay
Days 1-20	$0
Days 21-100	$176 per day
All days after 100	All Costs

5 Required Conditions for Home Health Care Coverage

1. Must be homebound
2. Must need skilled care on part-time or intermittent basis
3. Must be under the care of a doctor
   - Receiving services under a plan of care
4. Have face-to-face encounter with doctor
   - Prior to start of care or within 30 days
5. Home health agency must be Medicare-approved

Paying for Home Health Care

- In Original Medicare you pay
  - Nothing for covered home health care services
  - 20% of Medicare-approved amount
    - For durable medical equipment
      - Covered by Part B
- Plan of care reviewed every 60 days
  - Called episode of care

Part A Hospice Care

- Interdisciplinary team for those with a life expectancy of 6 months or less, and their family
- Sign election statement choosing hospice care instead of routine Medicare-covered benefits to treat your terminal illness
- Focus is on comfort and pain relief, not cure
- Doctor must certify each “election period”
  - Two 90-day periods
  - Then unlimited 60-day periods
  - Face-to-face encounter
- Hospice provider must be Medicare-approved

Covered Hospice Services

- Physician and nursing services
- Physical, occupational, and speech therapy
- Medical equipment and supplies
- Drugs for symptom control and pain relief
- Short-term hospital inpatient care for pain and symptom management
- Respite care in a Medicare-certified facility
  - Up to 5 days each time, no limit to number of times
- Hospice aide and homemaker services
- Social worker services
- Grief, dietary, and other counseling

Paying for Hospice Care

- In Original Medicare you pay
  - Nothing for hospice care
  - Up to $5 per Rx to manage pain and symptoms
    - While at home
  - 5% for inpatient respite care
- Room and board may be covered in certain cases
  - Short-term respite care
  - For pain/symptom management that can't be managed at home
  - If you have Medicaid and live in a nursing facility

Medicare Part B—Medical Insurance Coverage

- Part B—Medical Insurance helps cover

  - Doctors' services
  - Outpatient medical and surgical services, supplies
  - Clinical lab tests
  - Durable medical equipment
  - Diabetic testing supplies
  - Preventive services

What Are Medicare Part B—Covered Services?

Doctors' Services	Services that are medically necessary (includes outpatient and some doctor services you get when you're a hospital inpatient) or covered preventive services. You pay 20% of the Medicare-approved amount (if the doctor accepts assignment), and the Part B deductible applies.
Outpatient Medical and Surgical Services and Supplies	For approved procedures like X-rays, casts, or stitches. You pay the doctor 20% of the Medicare-approved amount for the doctor's services if the doctor accepts assignment. You also pay the hospital a copayment for each service. The Part B deductible applies.

Medicare Part B—Covered Services Continued

Durable Medical Equipment (DME)	Items such as oxygen equipment and supplies, wheelchairs, walkers, and hospital beds for use in the home. Some items must be rented. Includes national mail-order program for diabetic self-testing supplies, and includes 9 local programs for infusion pumps, including insulin pumps and pump supplies. Visit Medicare.gov/supplier to find Medicare-approved suppliers in your area. You pay 20% of the Medicare-approved amount, and the Part B deductible applies.

More Medicare Part B—Covered Services

Home Health Services	Medically necessary part-time or intermittent skilled nursing care, and/or physical therapy, speech-language pathology services, and/or services for people with a continuing need for occupational therapy, some home health aide services, medical social services, and medical supplies. You pay nothing for covered services.
Other (including but not limited to)	Medically necessary medical services and supplies, such as clinical laboratory services, diabetes supplies, kidney dialysis services and supplies, mental health care, limited outpatient prescription drugs, diagnostic X-rays, MRIs, CT scans, and EKGs, transplants and other services are covered. Costs vary.

Medicare Part B–Covered Preventive Services

- "Welcome to Medicare" preventive visit
- Yearly “Wellness” visit
- Abdominal aortic aneurysm screening
- Alcohol misuse screening and counseling
- Bone mass measurement
- Breast cancer screening (mammogram)
- Cardiovascular disease (CVD) Risk Reduction Visit
- Cardiovascular disease screenings
- Cervical and vaginal cancer screening
  - Human Papillomavirus (HPV) Testing
- Colorectal cancer screenings
  - Screening fecal occult blood test
  - Screening flexible sigmoidoscopy
  - Screening colonoscopy
  - Screening barium enema
  - Multi-target stool DNA test

- Depression screening
- Diabetes screenings
- Diabetes self-management training
- Flu shots (Vaccine)
- Glaucoma tests
- Hepatitis B shots (Vaccine)
- Hepatitis C screening test
- HIV screening
- Lung Cancer Screening
- Medical nutrition therapy services
- Obesity screening and counseling
- Pneumococcal shots
- Prostate cancer screening
- Sexually-transmitted infections screening and counseling
- Tobacco use cessation counseling

Paying for Preventive Services

- In Original Medicare you
  - Pay nothing for most preventive services if your provider accepts “assignment”
  - May pay more if provider doesn’t accept assignment
  - May have a copayment
    - If doctor performs other services that aren’t part of covered preventive benefits, or
    - For certain preventive services

What ISN’T covered by Part A and Part B?

Some of the items and services that Part A and Part B of Medicare don’t cover include:

- ✗ Most dental care
- ✗ Eye examinations related to prescribing glasses
- ✗ Dentures
- ✗ Cosmetic surgery
- ✗ Routine physical exams
- ✗ Massage therapy
- ✗ Acupuncture
- ✗ Hearing aids and exams for fitting them
- ✗ Long-term care
- ✗ Concierge care (also called concierge medicine, retainer-based medicine, boutique medicine, platinum practice, or direct care)

They may be covered if you have other coverage, like Medicaid or an MA Plan that covers these services

Medicare Part B Costs for Most People

Yearly Deductible	$198.00
Coinsurance for Part B Services	▪ 20% coinsurance for most covered services, like doctor's services and some preventive services, if provider accepts assignment ▪ $0 for some preventive services ▪ 20% coinsurance for outpatient mental health services, and copayments for hospital outpatient services

What You Pay—Part B Premium

- 2020 Premium
  - Standard premium—$144.60 (or higher depending on your income)

Monthly Part B Standard Premium—Income-Related Monthly Adjustment Amount (IRMAA) for 2020

Your Part B premium in 2020 based on your 2018 tax return:

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You pay
$87,000 or less	$174,000 or less	$87,000 or less	$144.60
Above $87,000 up to $109,000	Above $174,000 up to $218,000	Not applicable	$202.40
Above $109,000 up to $136,000	Above $218,000 up to $272,000	Not applicable	$289.20
Above $136,000 up to $163,000	Above $272,000 up to $326,000	Not applicable	$376.00
Above $163,000 and less than $500,000	Above $326,000 and less than $750,000	Above $87,000 and less than $413,000	$462.70
$500,000 or above	$750,000 and above	$413,000 and above	$491.60

Paying the Part B Premium

- Deducted monthly from
  - Social Security benefit payments
  - Railroad retirement benefit payments
  - Federal retirement benefit payments
- If not deducted
  - Billed every 3 months
  - Medicare Easy Pay to deduct from bank account
- Contact Social Security, the Railroad Retirement Board, or the Office of Personnel Management about premiums

Part B Late Enrollment Penalty

- See how your insurance works with Medicare
  - Contact your employer/union benefits administrator
- Penalty for not signing up when first eligible
  - 10% more for each full 12-month period
  - May have a penalty as long as you have Part B
- Sign up during a Special Enrollment Period
- Usually no penalty if you sign up within 8 months of employer coverage ending

When You Must Have Part B

- If you want to buy a Medigap policy
- If you want to join a Medicare Advantage Plan
- You're eligible for TRICARE for Life (TFL) or CHAMPVA
- Your employer coverage requires you have it when you become eligible for Medicare (less than 20 employees)
  - Talk to your employer’s or union benefits administrator
- Veterans Affairs (VA) benefits are separate from Medicare
  - You pay a penalty if you sign up late or if you don’t sign up during your Medicare Initial Enrollment Period

Your Medicare Coverage Choices

Part A Hospital Insurance

and/ or

Part B Medical Insurance

OR

Part A Hospital Insurance

and

Part B Medical Insurance

Original Medicare

You can add one or both

Medicare Supplement Insurance (**Medigap**) Policy. **Must have Part A and B**

Part D Prescription Drug Coverage. **Can have Part A and/or Part B**

Medicare Advantage Plan

Part C
Combines Part A and Part B and usually Part D

Sometimes may add a Separate Part D Plan
Prescription Drug Coverage
(Most Part C plans cover prescription drugs. You may be able to add drug coverage to **some** plan types if *not* already included.)

Original Medicare

- Health care option run by the federal government
- Provides your Part A and/or Part B coverage
- See any doctor or hospital that accepts Medicare
- You pay
  - Part B premium (Part A is usually premium free)
  - Deductibles, coinsurance, or copayments
- Get Medicare Summary Notice
- Can join a Part D plan to add drug coverage

Assignment

- Doctor, provider, supplier accepts assignment
  - Signed an agreement with Medicare
    - Or is required to by law
  - Accepts the Medicare-approved amount
    - As full payment for covered services
    - Only charges Medicare deductible/coinsurance amount
- Most accept assignment
  - They submit your claim to Medicare directly

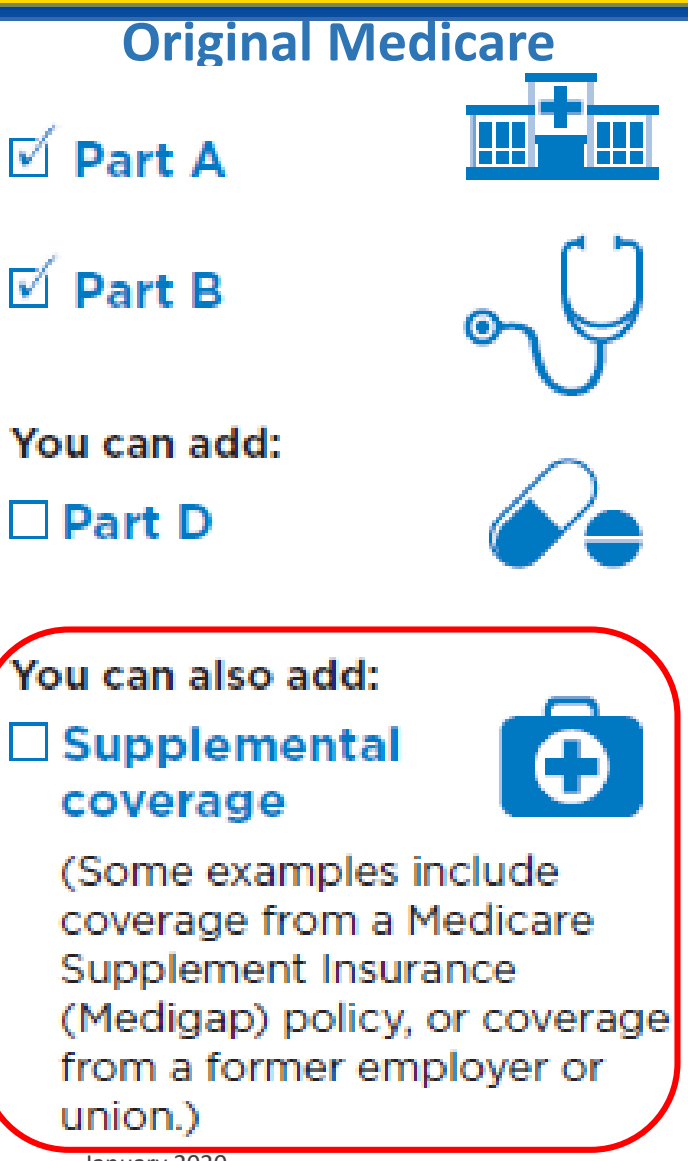
Don’t Accept/Must Accept Assignment

- Providers and suppliers that **don’t** accept assignment
  - May charge you more
    - The limiting charge is 15% more
    - May have to pay entire charge at time of service
- Providers sometimes **must** accept assignment
  - Medicare Part B–covered prescription drugs
  - Ambulance suppliers

Private Contracts

- Agreement between you and your doctor
  - Doctor doesn’t furnish services through Medicare
  - Original Medicare and Medigap won’t pay
  - Other Medicare plans won’t pay
  - You’ll pay full amount for the services you get
  - No claim should be submitted
  - Can’t be asked to sign in an emergency
  - The doctor can’t bill Medicare for 2 years for any services provided to anyone with Medicare

Lesson 3—Medicare Supplement Insurance (Medigap) Policies



- Sold by private insurance companies
- Must have Medicare Part A and B
- You pay a monthly premium to the insurer and also pay the Part B monthly premium
- Fills gaps in Original Medicare coverage
  - Deductibles, coinsurance, copayments
    - Medicare will pay its share of the Medicare-approved amounts for covered health care costs
      - Then your Medigap policy pays its share
- All plans with same letter
  - Have same coverage
  - Costs are different
- A Medigap policy covers one person

Medigap Plans

- Standardized plans identified by a letter
  - Plans A, B, C, D, F, G, K, L, M, and N are currently sold
  - Companies don't have to sell all plans
  - Plans with the same letter must offer the same basic benefits
    - Only the policy cost will vary between companies

Medigap Plan Coverage

	Medicare Supplement Insurance (Medigap) plans									
Benefits	**A**	**B**	**C**	**D**	**F***	**G**	**K**	**L**	**M**	**N**
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2020**			
							$5,880	$2,940		

* Plan F also offers a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of $2,340 in 2020 before your policy pays anything. (Plans C and F won't be available to people who are newly eligible for Medicare on or after January 1, 2020.

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible ($198 in 2020), the Medigap plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that don't result in an inpatient admission.

2020 Medigap Changes

- On or after January 1, 2020, no standardized Medigap policy may provide coverage of the Part B deductible
  - Insurance companies can't sell standardized Plans C or F to people newly eligible for Medicare
    - Turning 65 as of January 1, 2020, or later
    - Getting premium-free Part A as of January 1, 2020, or later
  - A person who isn't "newly eligible for Medicare" on January 1, 2020, or later can apply to buy Plan C or F, but this doesn't qualify as a guaranteed issue right to buy it
  - Insurance companies may sell Plans C or F to those getting Medicare retroactively with Part A start date before January 1, 2020

Medigap Policy

Delayed Medigap Open Enrollment Period (OEP)

- If you delay enrolling in Medicare Part B
  - Because you or your spouse is still working, and
  - You have group health coverage
- Medigap OEP is delayed
  - Until you're 65 **and** enrolled in Part B
  - No late enrollment penalty
- Notify Social Security to delay Part B

Lesson 4—Medicare Prescription Drug Coverage (Part D)

Part D
Medicare prescription drug coverage

☐ **Can add to Original Medicare**

☑ **Usually included in Medicare Advantage (MA)**

- An optional benefit available to all people with Medicare
- Run by private companies that contract with Medicare
- Provided through
  - Medicare Prescription Drug Plans (PDPs) (work with Original Medicare)
  - Medicare Advantage Prescription Drug Plans (MA-PDs)
  - Some other Medicare health plans
    - Like Cost Plans

Medicare Part D Drug Coverage

- Can be flexible in benefit design
- Must offer at least a standard level of coverage
- Vary in costs and drugs covered
  - Different tier and/or copayment levels
  - Deductible
  - Coverage for drugs not typically covered by Part D
- Benefits and costs may change each year

Medicare Drug Plan Costs—What You Pay in 2020

Part D
Medicare prescription drug coverage

- Costs vary by plan
- Most people will pay
  - A monthly premium (varies by plan and income)
  - A yearly deductible (if applicable)
  - Copayments or coinsurance
  - Percentage of cost while in the coverage gap, beginning at $4,020 in 2020
  - Very little after spending $6,350 out-of-pocket in 2020—automatically get catastrophic coverage

Part D Eligibility Requirements

- You must
  - Have Medicare Part A and/or Part B to join a Medicare Prescription Drug Plan
  - Have Medicare Part A and Part B to join a Medicare Advantage Plan with drug coverage
  - Have Medicare Part A and Part B or only Part B to join a Medicare Cost Plan with Part D coverage
  - Live in the plan's service area
  - Not be incarcerated
  - Not be unlawfully present in the U.S.
  - Not live outside the U.S.
- You must join a plan to get drug coverage

Part D Initial Enrollment Period (IEP)

- When you first become eligible to get Medicare
  - 7-month IEP for Part D

If You Join	Coverage Begins
During the 3 months before you turn 65	Date eligible for Medicare
During the month you turn 65	First day of the following month
During the 3 months after you turn 65	First day of the month after month you apply

When Can I Enroll in a Part D Plan?

Part D
Medicare prescription drug coverage

- During your 7-month Initial Enrollment Period (IEP)
- During the yearly Open Enrollment Period (OEP)
  - October 15–December 7 each year
  - Coverage begins January 1
- If you get Part B for the first time during a General Enrollment Period (GEP) you can join a Part D plan from April 1–June 30 with coverage starting July 1
- May be able to join at other times, like if you're
  - In an MA Plan on January 1, your MA OEP is from January 1–March 31 each year
  - New to Medicare and currently enrolled in an MA Plan during your Initial Coverage Election Period (ICEP), your MA OEP is your month of entitlement to Part A and Part B through to the last day of the 3rd month of entitlement
  - Special Enrollment Period (SEP), if you qualify

Special Enrollment Period (SEP)

- Life events that allow an SEP include if you
  - Permanently move out of your plan's service area
  - Lose other creditable prescription coverage
  - Weren't properly told that your other coverage wasn't creditable, or your other coverage was reduced and is no longer creditable
  - Enter, live at, or leave a long-term care facility
  - Have a continuous SEP if you qualify for Extra Help
  - Belong to a State Pharmaceutical Assistance Program
  - Join or switch to a plan that has a 5-star rating
  - Have other exceptional circumstances

Part D Late Enrollment Penalty

Part D
Medicare prescription drug coverage

You may have to pay more if you wait to enroll

- Exceptions if you have
  - Creditable drug coverage
  - Extra Help

You'll pay the penalty for as long as you have coverage

- 1% for each full month eligible and without creditable prescription drug coverage
- Multiply percentage by base beneficiary premium ($32.74 in 2020)
- Amount changes every year

Monthly Part D Standard Premium—Income-Related Monthly Adjustment Amount (IRMAA) for 2020

Chart is based on your yearly income *in 2018* (for what you pay in 2020)

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You pay Income-related monthly adjustment amount + your plan premium
$87,000 or less	$174,000 or less	$87,000 or less	$0.00 + YPP
Above $87,000 up to $109,000	Above $174,000 up to $218,000	See below	$12.20* + YPP
Above $109,000 up to $136,000	Above $218,000 up to $272,000	See below	$31.50* + YPP
Above $136,000 up to $163,000	Above $272,000 up to $326,000	See below	$50.70* + YPP
Above $163,000 and less than $500,000	Above $326,000 and less than $750,000	Above $87,000 and less than $413,000	$70.00* + YPP
$500,000 and above	$750,000 and above	$413,000 and above	$76.40* + YPP

Part D-Covered Drugs

- Prescription brand-name and generic drugs
  - Approved by the U.S. Food and Drug Administration
  - Used and sold in United States
  - Used for medically-accepted indications
- Includes drugs, biological products, and insulin
  - And supplies associated with injection of insulin
- Plans must cover a range of drugs in each category
- Coverage and rules vary by plan

Required Coverage

- All drugs in 6 protected categories
  1. Cancer medications
  2. HIV/AIDS treatments
  3. Antidepressants
  4. Antipsychotic medications
  5. Anticonvulsive treatments
  6. Immunosuppressants
- All commercially available vaccines
  - Except those covered under Part B (e.g., flu shot)

Drugs Excluded by Law Under Part D

- Drugs for anorexia, weight loss, or weight gain
- Erectile dysfunction drugs when used for the treatment of sexual or erectile dysfunction
- Fertility drugs
- Drugs for cosmetic or lifestyle purposes
- Drugs for symptomatic relief of coughs and colds
- Prescription vitamin and mineral products
- Non-prescription drugs

How Plans Manage Access to Drugs

Prior Authorization	Doctor must contact plan for prior approval and show medical necessity for drug before drug will be covered
Step Therapy	▪ Must first try similar, less expensive drug ▪ Doctor may request an exception if • Similar, less expensive drug didn't work, or • Step therapy drug is medically necessary
Quantity Limits	▪ Plan may limit drug quantities over a period of time for safety and/or cost ▪ Doctor may request an exception if additional amount is medically necessary

Formulary

- A list of prescription drugs covered by the plan
- May have tiers that cost different amounts
- Tier Structure Example

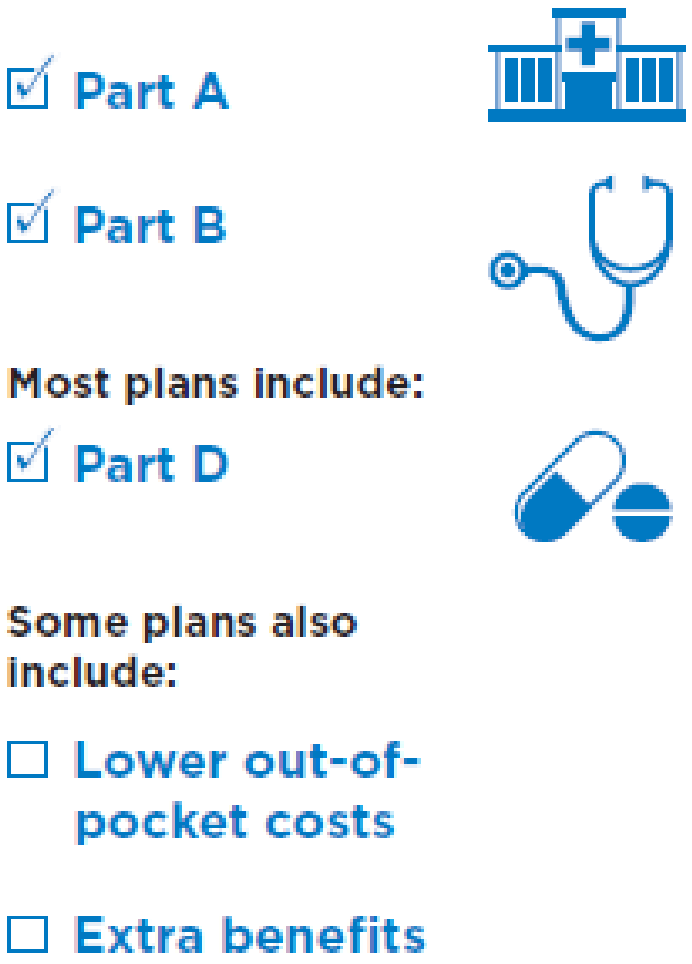
Tier	You Pay	Prescription Drugs Covered
1	Lowest copayment	Most generics
2	Medium copayment	Preferred, brand name
3	High copayment	Non-preferred, brand name
4 or Specialty	Highest copayment or coinsurance	Unique, very high cost

Choosing a Part D Plan

Part D
Medicare prescription drug coverage

- **Compare plans by computer or phone**
  - Use the Medicare Plan Finder at Medicare.gov
  - Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048
  - Contact DMAB at 302-674-7364
- **To join a Part D Plan**
  - Enroll at Medicare.gov
  - Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048
  - Enroll on the plan's website or call the plan
  - Complete a paper enrollment form
  - The plan will notify you whether it's accepted or denied your application
    - You can't be denied based on health condition or the drugs you take

Lesson 5—Medicare Advantage (MA) Plans Part C



- An MA Plan (like a Health Maintenance Organization (HMO) or Preferred Provider Organization (PPO)) is another way to get your Medicare coverage (sometimes called “Part C” or “MA Plans”)
- Offered by Medicare-approved private companies that must follow rules set by Medicare
- If you join an MA Plan, you’ll still have Medicare but you’ll get your Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) coverage from the MA Plan, not Original Medicare
  - You’ll need to use health care providers who participate in the plan’s network (some plans offer out-of-network coverage)

How Medicare Advantage Plans Work

- Receive services through the plan
  - All Part A- and Part B-covered services
  - Some plans may provide additional benefits
- Most plans include prescription drug coverage
- You may have to use network doctors/hospitals
- May differ from Original Medicare in
  - Benefits
  - Cost sharing

How Medicare Advantage (MA) Plans Work (Continued)

- You're still in the Medicare Program
  - Medicare pays the plan every month for your care
- You still have Medicare rights and protections
- If the plan leaves Medicare you can
  - Join another MA Plan, or
  - Return to Original Medicare

Medicare Advantage Costs

- You still pay the Part B premium
  - A few plans may pay all or part for you
- State assistance for some people with limited income and resources
- You may pay plan an additional monthly premium
- You pay deductibles, coinsurance, and copayments
  - Different from Original Medicare
  - Varies from plan to plan
  - May be higher if out of network

Who Can Join a Medicare Advantage Plan?

- Eligibility requirements—you must
  - Be enrolled in Medicare Part A (Hospital Insurance)
  - Be enrolled in Medicare Part B (Medical Insurance)
  - Live in the plan's service area
  - Be a United States (U.S.) citizen or lawfully present in the U.S.
  - Not be incarcerated
- To join you must also
  - Provide necessary information to the plan
  - Follow the plan's rules
  - Can only belong to one plan at a time

When Can I Enroll in a Medicare Advantage (MA) Plan?

Medicare Advantage

Generally during your Initial Enrollment Period (IEP)

- If so, can change to another MA Plan (with or without drug coverage) or go back to Original Medicare (with or without drug coverage) within the first 3 months you have Medicare

New yearly MA Open Enrollment Period (MA OEP)

- One-time change during January 1–March 31 each year with coverage beginning the first of the following month
- Must already be enrolled in an MA Plan on January 1 to use the MA OEP
  - You can switch to another MA Plan with or without drug coverage
  - You can disenroll from your plan and return to Original Medicare
    - If you return to Original Medicare, you can also join a Medicare Prescription Drug Plan (PDP) if you make this change
- If new to Medicare and currently enrolled in an MA Plan during your ICEP, your MA OEP is your month of entitlement to Part A and Part B through to the last day of the 3rd month of entitlement

Note: If you drop a Medicare Supplement Insurance (Medigap) policy to join an MA Plan, you might not be able to get it back. Check with your state.

When Can I Enroll in a Medicare Advantage (MA) Plan? (continued)

Medicare Advantage

- During the yearly OEP from October 15–December 7 each year
- If you have Part A and enroll in Part B during a General Enrollment Period (GEP), you can enroll in an MA Plan from April 1–June 30 with coverage starting July 1
- Special Enrollment Period (SEP) in certain circumstances, like if you
  - Move out of your plan's service area
  - Have or lose Medicaid or Extra Help
  - Move in or out of an institution (like a nursing home)
- 5-star SEP
  - Can switch to an MA Plan or Medicare Cost Plan that has 5 stars for its overall star rating
  - From December 8–November 30 each year

Other Medicare Plans

- Some types of Medicare health plans that provide health care coverage aren't part of Medicare Advantage
  - But are still part of Medicare
  - Some provide Part A and/or Part B coverage
  - Some provide Medicare prescription drug coverage
  - Examples include
    - Medicare Program of All-inclusive Care for the Elderly (PACE) Plans (New Castle County Only)
      - St. Francis Healthcare, Inc.
        - 1-302-660-3351

How Do I Enroll in a Medicare Advantage (MA) Plan?

Medicare Advantage

- Use the Medicare Plan Finder on Medicare.gov
- Contact DMAB at 302-674-7364
- Visit the plan's website to see if you can join online
- Fill out a paper enrollment form
  - Contact the plan to get an enrollment form, fill it out and return it to the plan
  - All plans must offer this option
- Call the plan you want to join
  - Get your plan's contact information from the Plan Finder
- Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048

Original Medicare vs. Medicare Advantage—Doctor and Hospital Choice

Original Medicare	Medicare Advantage
You can go to **any doctor or hospital that takes Medicare, anywhere in the U.S.**	In most cases, you'll need to use **doctors who are in the plan's network** (for non-emergency or non-urgent care). Ask your doctor if they participate in any MA Plans.
In most cases, you **don't need** a referral to see a specialist.	You **may need** to get a referral to see a specialist.

Original Medicare vs. Medicare Advantage—Costs

Original Medicare	Medicare Advantage
For Part B-covered services, **you usually pay 20% of the Medicare-approved amount** after you meet your deductible.	**Out-of-pocket costs vary**—plans may have lower out-of-pocket costs for certain services.
You **pay a premium (monthly payment) for Part B**. If you choose to buy prescription drug coverage (Part D), you'll pay that premium separately.	You may **pay a premium for the plan** in addition to a monthly **premium for Part B**. (Most include prescription drug coverage.) Plans may have a $0 premium or may help pay all or part of your Part B premiums.
There's **no yearly limit** on what you pay out-of-pocket, unless you have supplemental coverage (like a Medigap policy).	Plans have a **yearly limit** on what you pay out-of-pocket for Medicare Part A- and Part B-covered services. Once you reach your plan's limit, you'll pay nothing for Part A- and Part B-covered services for the rest of the year.
You **can get** supplemental coverage (like a Medigap policy) to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or, can use coverage from a former employer or union, or Medicaid.	You **can't buy or use** separate supplemental coverage.

Original Medicare vs. Medicare Advantage—Coverage

Original Medicare	Medicare Advantage
Original Medicare covers medically necessary services and supplies in hospitals, doctors' offices, and other health care settings.	Plans must cover all of the medically necessary services that Original Medicare covers. Most plans **may offer extra benefits that Original Medicare doesn't cover**—like vision, hearing, dental, and more. Plans can now cover more of these benefits than they have in the past.
You can join a **separate Medicare Prescription Drug Plan (Part D)** to get drug coverage.	**Prescription drug coverage is included** in most plans.
In most cases, you don't have to get a service or supply approved ahead of time for it to be covered.	In some cases, you have to get a service or supply approved ahead of time for it to be covered by the plan.

Original Medicare vs. Medicare Advantage—Travel

Original Medicare	Medicare Advantage
Original Medicare generally **doesn't cover care outside the U.S.** You may be able to buy a Medigap policy that covers care outside the U.S.	Plans generally **don't cover care outside the U.S.** Also, plans usually don't cover non-emergency care you get outside of your plan's network.

Lesson 6—Financial Assistance

- Medicaid/Medicare Savings Program
- Extra Help

What Is Medicaid?

- Medicaid is a federal-state health insurance program
  - For people with limited income and resources
  - Covers most health care costs if you have both Medicare and Medicaid (dual eligible)
  - Eligibility is determined by the state
    - Application processes and benefits vary
    - Delaware Medicaid & Medical Assistance (DMMA)
    - Apply if you MIGHT qualify

Medicare Savings Programs

- Help from Medicaid paying Medicare costs
  - For people with limited income and resources
  - Often higher income and resources than full Medicaid
- Programs include
  - Qualified Medicare Beneficiary (QMB)
  - Specified Low-income Medicare Beneficiary (SLMB)
  - Qualifying Individual (QI)
  - Qualified Disabled & Working Individuals (QDWI)

NOTE: Federal law bars Medicare and MA providers from balance billing a QMB beneficiary under any circumstance.

Minimum Federal Eligibility Requirements for Medicare Savings Programs in 2020

Medicare Savings Program	Individual Monthly Income Limits	Married Couple Income Limits	Helps Pay Your
Qualified Medicare Beneficiary (QMB)	$1,063	$1,437	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)
Specified Low-Income Medicare Beneficiary (SLMB)	$1,276	$1,724	Part B premiums only
Qualifying Individual (QI)	$1,435	$1,940	Part B premiums only

What Is Extra Help?

- Program to help people pay for Medicare prescription drug costs (Part D)
  - Also called the low-income subsidy
- If you have lowest income and resources
  - Pay no premiums or deductible, and small or no copayments
- If you have slightly higher income and resources
  - Pay reduced deductible and a little more out of pocket
- No coverage gap or late enrollment penalty if you qualify for Extra Help

Qualifying for Extra Help

- You automatically qualify for Extra Help if you get
  - Full Medicaid coverage
  - Supplemental Security Income (SSI)
  - Help from Medicaid paying your Medicare premiums
- All others must apply
  - Contact DMAB at 302-674-7364
  - Online at socialsecurity.gov
  - Call Social Security at 1-800-772-1213 (TTY: 1-800-325-0778)
    - Ask for “Application for Help with Medicare Prescription Drug Plan Costs” (SSA-1020)

Introduction to Medicare Resources Guide

Resources

Centers for Medicare & Medicaid Services (CMS)

- 1-800-MEDICARE (1-800-633-4227).
  TTY: 1-877-486-2048.
- Medicare.gov
- CMS.gov
- Medicaid.gov/

Social Security

- 1-800-772-1213. TTY: 1-800-325-0778
- SocialSecurity.gov/

Railroad Retirement Board

- 1-877-772-5772. TTY: 1-312-751-4700
- RRB.gov/

Affordable Care Act

- HealthCare.gov
- HHS.gov/healthcare/about-the-aca/index.html

Medicare Plan Finder

- Medicare.gov/find-a-plan

State Health Insurance Assistance Programs and State Insurance Departments

- Delaware Medicare Assistance Bureau "DMAB"
- 302-674-7364/(toll-free)1-800-336-9500

U.S. Department of Health and Human Services, Office for Civil Rights

- HHS.gov
- HHS.gov/ocr/office/index.html
- 1-800-368-1019. TTY: 1-800-537-7697

Additional Resources

- Benefits.gov